

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson
Cynthia A. Kitlinski
Dee Knaak
Norma McKanna
Patrice M. Vick

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for
Extended Area Service from the
Federal Dam Exchange to the Cass
Lake and Bemidji Exchanges

ISSUE DATE: November 20, 1991
DOCKET NO. P-421, 537/CP-90-002

ORDER DENYING PETITION AND
CLOSING DOCKET

PROCEDURAL HISTORY

On February 3, 1990, subscribers in the Federal Dam exchange filed a petition for extended area service (EAS) with the Cass Lake and Bemidji exchanges. Federal Dam is served by the Johnson Telephone Company (Johnson) and Cass Lake and Bemidji are served by US WEST Communications, Inc. (US WEST). Cass Lake and Bemidji have EAS to each other.

Between February 3, 1990, and April 27, 1990, the Department of Public Service (the Department), US WEST, and Johnson representatives submitted various filings regarding traffic volume, costs, proposed rates, and requests for variances.

On April 27, 1990, the new EAS statute, Minn. Stat. § 237.161 (1990), came into effect.

On November 19, 1990, the Commission issued its ORDER REQUIRING TRAFFIC STUDIES in this docket. In that Order the Commission found that Federal Dam is adjacent to the Cass Lake/Bemidji local calling area. The Commission required Johnson to file further traffic studies.

On January 22, 1991, Johnson filed a second traffic study. This study indicated that less than 50% of the Federal Dam subscribers place one or more calls per month to the Cass Lake/Bemidji local calling area.

On March 21, 1991, the Department filed its report and recommendation. The Department recommended that the Commission close this docket because the proposed route fails to meet the statutory EAS traffic requirement.

On May 15 and June 21, 1991, Senator Harold "Skip" Finn wrote to the Commission to enquire if "partial" EAS would be possible between the Otter Tail Peninsula portion of the Federal Dam exchange and the Cass Lake/Bemidji local calling area.

On October 29, 1991, the Federal Dam-Cass Lake/Bemidji EAS petition came before the Commission for consideration.

FINDINGS AND CONCLUSIONS

In its November 19, 1990 Order, the Commission decided that the Federal Dam exchange is adjacent to the Cass Lake/Bemidji local calling area. The proposed route thus satisfies the adjacency criterion of Minn. Stat. § 237.161, subd. 1 (a)(1):

The petitioning exchange is contiguous to an exchange or local calling area to which extended area service is requested in the petition.

The filed traffic studies, however, show that the proposed EAS route fails to meet the traffic criterion of Minn. Stat. § 237.161, subd. 1 (a)(3):

At least 50 percent of the customers in the petitioning exchange make one or more calls per month to the exchange or local calling area to which extended area service is requested, as determined by a traffic study.

The EAS statute does not provide for "partial" EAS, in which a portion of an exchange would fulfill the traffic requirement although the petitioning exchange as a whole would not. The EAS statute requires that each of its three criteria must be met by "the petitioning exchange." Since there is no statutory authority for "partial" EAS, the Commission lacks the authority to create such a concept.

Because the Federal Dam-Cass Lake/Bemidji EAS petition fails to meet the statutory EAS traffic criterion, the Commission will deny the petition and close the docket.

ORDER

1. The petition for EAS between Federal Dam and Cass Lake/Bemidji is denied.

2. This docket is closed.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)